

Exhibit 300: Capital Asset Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview & Summary Information

Date Investment First Submitted: 2009-06-30
Date of Last Change to Activities: 2012-08-31
Investment Auto Submission Date: 2012-02-28
Date of Last Investment Detail Update: 2012-07-30
Date of Last Exhibit 300A Update: 2012-08-31
Date of Last Revision: 2012-08-31

Agency: 015 - Department of the Treasury **Bureau:** 45 - Internal Revenue Service

Investment Part Code: 01

Investment Category: 00 - Agency Investments

1. Name of this Investment: Integrated Data Retrieval System (IDRS)

2. Unique Investment Identifier (Ull): 015-000000018

Section B: Investment Detail

- 1. Provide a brief summary of the investment, including a brief description of the related benefit to the mission delivery and management support areas, and the primary beneficiary(ies) of the investment. Include an explanation of any dependencies between this investment and other investments.**

Operational since 1973, IDRS is a secure, reliable, flexible, mission-critical system consisting of databases and programs supporting IRS employees working active tax cases. It would not be possible to run the Federal Government's tax filing season without IDRS or some equivalent system. It is used by approximately 60,000 of the 100,000 IRS employees who rely on it daily to do their work. It provides for systemic review of case status, alleviating staffing needs and providing consistency in case control. For example, each time a taxpayer phones the IRS, the person answering the phone uses IDRS to log the call and answer any questions. IDRS issues notices and processes installment agreements, offers in compromise, and adjustments. Actions taken via IDRS include penalty and interest computations and explanations, credit and debit transfers among accounts and research of taxpayer accounts for problem resolution of taxpayer inquiries. It manages data retrieved from the Tax Master Files (Business, Individual, and Employee Plan) allowing IRS employees to take actions on taxpayer issues, track status and post updates back to the Master Files. In addition to IRS employees, IRS internet applications depend on IDRS to provide back-end services to enable them to help taxpayers. For example, tens of millions of taxpayers ask "Where's my refund?" at irs.gov annually and millions of business taxpayers request Employer Identification Numbers via irs.gov instead of via paper. IDRS enables businesses providing payroll services to submit tax data on behalf of millions of taxpayers and collaborates with registered tax

practitioners to reduce the burden of filing Powers of Attorney and Taxpayer Information Authorizations, allowing them to request access to other E-Services. Many kinds of tax information are produced by IDRS to support sending and receiving information to other systems within the IRS, SSA, Financial Management Service, State and local governments and tax practitioners. IRS ensures that systems are executed in a disciplined, well-managed, and consistent manner through timely oversight, quality control, and executive review. IDRS is continuously monitored for cost, schedule, and project performance. IDRS serves the taxpayers in many ways and helps address various performance gaps. IDRS' citizen-centered services promote intangible goodwill to citizen's perception of IRS and the Federal Government as well as ensuring consistent, efficient service.

2. How does this investment close in part or in whole any identified performance gap in support of the mission delivery and management support areas? Include an assessment of the program impact if this investment isn't fully funded.

This investment is fully funded. IDRS project management and end-user organizations are constantly looking for alternative, innovative methods to improve IDRS to better serve the taxpayers, achieve mission needs, and accomplish strategic goals. For example, in FY2009 certain coding was done to allow certain IDRS processing to be performed on higher-level, more efficient processors and this was implemented in time for the 2010 tax filing season. This allows for improved performance. Future changes may include reducing the cycle time for certain posting to allow for greater responsiveness to taxpayer inquiries for the status of their accounts. In the "IRS Strategic Plan 2009- 2013", under "Strategic Foundations:Invest for High Performance", objective two is "build and deploy advanced information technology systems, processes, and tools to help improve IRS efficiency and productivity". This objective cites that "in FY08, the IRS processed more than 39 million inquiries through its Where's my refund? web site", which depends on IDRS back-end services to operate. IDRS is compliant with the Treasury Enterprise Architecture (EA) and the EA's Gap Analysis. IDRS is identified in the OMB-approved "Filing and Payment Compliance" subsegment of the "Taxation Management" (TM) segment. Per OMB's Enterprise Architecture Assessment Framework (EAAF v3.0) described at www.whitehouse.gov/omb/e-gov/fea, the "Filing and Payment Compliance" subsegment ranked first out of all Treasury segments on Treasury's "High Priority Segment Prioritization" list. In Treasury's IT Modernization Blueprint (ITMB) volume 7, Enterprise Architecture Transition Strategy" version 4.0 (2/08) Appendix G, IDRS is associated with Taxation Management. In ITMB version 3.01 (4/07) page 8, Taxation Management is one of Treasury's Core Mission Lines of Business. On page 42 it is a part of Core Mission Area Segment TM as well as the "Business Reference Model segment" Taxation Management. IDRS is a tax administration investment designed to support functionality specific to IRS.

3. Provide a list of this investment's accomplishments in the prior year (PY), including projects or useful components/project segments completed, new functionality added, or operational efficiency achieved.

IDRS. Development for legislatively mandated tax law changes (e.g., reconciliation for American Recovery and Reinvestment Act) and customer requested modernization and enhancement (e.g., remove Social Security Numbers-SSN from notices) and Maintenance (e.g., incorporate format changes). Examples include: - Formats and validations per changed laws, such as the Affordable Care Act's Branded Prescription Drug provision - Changes to

adjustments such as tracking criminal restitution per 18 USC 3556 - Automation of assignment of temporary SSN/IRS Numbers - Better handling of reporting agents' (firms performing payroll services) and foreign taxpayers' addresses and data - Analyzed, developed, and tested changes to accelerate processing cycle - Between 10/1/10 and 9/30/11, IDRS enabled over 78 million taxpayers to ask Where's my refund at www.irs.gov - Supported implementation of first IRS smartphone application (IRS2Go) for iPhone and Android users letting taxpayers check refunds.

4. Provide a list of planned accomplishments for current year (CY) and budget year (BY).

Future development efforts are limited primarily to legislatively mandated tax law changes. Continue implementing customer-approved work requests, to enable IRS employees and systems that depend on IDRS, to ensure compliance with current tax law while providing quick and accurate service to taxpayers. Current year FY2012: FY12 Development for legislatively mandated tax law changes (for example, portions of Health Care and Education Reconciliation Act) and customer requested modernization and enhancement (for example, accelerate processing cycle) and FY12 Maintenance (for example, incorporate filing season format changes) Budget year FY2013: FY13 Development for legislatively mandated tax law changes (for example, portions of Patient Protection and Affordable Care Act) and customer requested modernization and enhancement) and FY13 Maintenance (for example, incorporate filing season format changes).

5. Provide the date of the Charter establishing the required Integrated Program Team (IPT) for this investment. An IPT must always include, but is not limited to: a qualified fully-dedicated IT program manager, a contract specialist, an information technology specialist, a security specialist and a business process owner before OMB will approve this program investment budget. IT Program Manager, Business Process Owner and Contract Specialist must be Government Employees.

1973-10-01

Section C: Summary of Funding (Budget Authority for Capital Assets)

1.

Table I.C.1 Summary of Funding

	PY-1 & Prior	PY 2011	CY 2012	BY 2013
Planning Costs:	\$0.0			\$0.0
DME (Excluding Planning) Costs:	\$0.0	\$0.0	\$0.0	\$0.0
DME (Including Planning) Govt. FTEs:	\$13.6	\$3.8	\$3.9	\$3.9
Sub-Total DME (Including Govt. FTE):	\$13.6	\$3.8	\$3.9	\$3.9
O & M Costs:	\$15.2	\$1.2	\$0.7	\$0.8
O & M Govt. FTEs:	\$120.3	\$13.6	\$13.7	\$13.8
Sub-Total O & M Costs (Including Govt. FTE):	\$135.5	\$14.8	\$14.4	\$14.6
Total Cost (Including Govt. FTE):	\$149.1	\$18.6	\$18.3	\$18.5
Total Govt. FTE costs:	\$133.9	\$17.4	\$17.6	\$17.7
# of FTE rep by costs:	1,361	149	149	149
Total change from prior year final President's Budget (\$)		\$-0.9	\$-2.5	
Total change from prior year final President's Budget (%)		-5.00%	-14.00%	

2. If the funding levels have changed from the FY 2012 President's Budget request for PY or CY, briefly explain those changes:

The FY 2011 requested funding level had not changed; actuals are now available. The FY 2012 funding level has been changed, as a result of appropriations action. Specifically, the Government-wide pay freeze and IRS hiring pause have caused a reduction of the budget allocated to this investment.

Section D: Acquisition/Contract Strategy (All Capital Assets)

Table I.D.1 Contracts and Acquisition Strategy

Contract Type	EVM Required	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	IDV Agency ID	Solicitation ID	Ultimate Contract Value (\$M)	Type	PBSA ?	Effective Date	Actual or Expected End Date
Awarded		TIRNO06D000140005	TIRNO06D0001	2050							

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:

Earned value is not required and will not be a contract requirement for any contracts or task orders associated with this investment because all Development/Modernization/Enhancement (DME) work is performed by Government FTEs only and not contractors.

Exhibit 300B: Performance Measurement Report

Section A: General Information

Date of Last Change to Activities: 2012-08-31

Section B: Project Execution Data

Table II.B.1 Projects

Project ID	Project Name	Project Description	Project Start Date	Project Completion Date	Project Lifecycle Cost (\$M)
IDRS-FS12	Integrated Data Retrieval System (IDRS) - Filing Season 2012	Development for legislatively mandated tax law changes (for example, portions of Health Care and Education Reconciliation Act) and customer requested modernization and enhancement (for example, accelerate processing cycle) * The Integrated Data Retrieval System (IDRS) is an IRS mission critical system consisting of databases and subsystems supporting IRS employees working active tax cases. It manages data retrieved from the Tax Master Files allowing IRS employees to take specific actions on taxpayer account issues, track status and post updates back to the Master Files. It provides for systemic review of case status, alleviating staffing needs and providing consistency in case control. Actions taken via IDRS include notice issuance, installment agreement processing, offers in compromise, adjustment			

Table II.B.1 Projects

Project ID	Project Name	Project Description	Project Start Date	Project Completion Date	Project Lifecycle Cost (\$M)
		processing, penalty and interest computations and explanations, credit and debit transfers within an account or other related accounts and research of taxpayer accounts for problem resolution of taxpayer inquiries.			
IDRS-MY12	Integrated Data Retrieval System (IDRS) -Mid-Year 2012	Development for legislatively mandated tax law changes and customer requested modernization and enhancement (for example, coding that does not impact database fields such as adding reports or adding fields to screens). * The Integrated Data Retrieval System (IDRS) is an IRS mission critical system consisting of databases and subsystems supporting IRS employees working active tax cases. It manages data retrieved from the Tax Master Files allowing IRS employees to take specific actions on taxpayer account issues, track status and post updates back to the Master Files. It provides for systemic review of case status, alleviating staffing needs and providing consistency in case control. Actions taken via IDRS include notice issuance, installment agreement processing, offers in compromise, adjustment processing, penalty and interest computations and explanations, credit and debit transfers within an account or other related accounts and research of taxpayer accounts for problem resolution of taxpayer inquiries.			

Activity Summary

Roll-up of Information Provided in Lowest Level Child Activities

Project ID	Name	Total Cost of Project Activities (\$M)	End Point Schedule Variance (in days)	End Point Schedule Variance (%)	Cost Variance (\$M)	Cost Variance (%)	Total Planned Cost (\$M)	Count of Activities
IDRS-FS12	Integrated Data Retrieval System (IDRS) - Filing Season 2012							
IDRS-MY12	Integrated Data Retrieval System (IDRS) -Mid-Year 2012							

Key Deliverables

Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
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NONE

Section C: Operational Data

Table II.C.1 Performance Metrics

Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency
1. Individual taxpayer usage of "Where's my refund?" feature through www.irs.gov, IRS2Go smartphone application or automated, toll-free telephone number. This feature relies on IDRS to operate and provides convenient, high-quality, citizen-centered service without the assistance of a Federal employee. The target for this steady state performance metric is usage equal to 100 percent of the average usage during typical processing years.	Pct; Usage equal to avg. typical processing years	Mission and Business Results - Support Delivery of Services	Over target	0.000000	0.000000	78586413.000000	100.000000	Monthly
4. Percentage of certified letters printed centrally versus locally. These notify business and individual taxpayers of issues. This aligns with IRS goals to improve taxpayer service and enhance enforcement of tax law. To measure this steady state performance metric, calculate the percentage of	Percentage. Percentage of certified letters	Process and Activities - Productivity	Over target	94.300000	94.800000	95.900000	95.100000	Semi-Annual

Table II.C.1 Performance Metrics

Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency
certified letters printed centrally versus locally out of all certified letters printed.								
2. Business taxpayer use of www.irs.gov to obtain Employer Identification Numbers (EINs). This feature relies on IDRS to operate and lets taxpayers obtain EINs without assistance of a Federal employee instead of mailing form SS-4 "Application for EIN". It reduces the expense and difficulty of doing business with the Government and environmental impact. The target for this steady state performance metric is usage equal to 100 percent of the average usage during typical processing years.	Pct; Usage equal to avg. typical processing years	Customer Results - Customer Benefit	Over target	2962172.000000	0.000000	5557502.000000	100.000000	Semi-Annual
3. IRS staff usage of IDRS. IDRS enables approximately 60,000 taxpayer-facing IRS employees, using a variety of methods, to retrieve taxpayer records quickly, accurately, and securely to authorized staff while responding to taxpayer inquiries	Pct; Usage equal to avg. typical processing years	Technology - Effectiveness	Over target	0.000000	0.000000	649726817.000000	100.000000	Monthly

Table II.C.1 Performance Metrics

Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency
and conducting examinations. The command code TXMOD displays tax data for specific taxpayers for specific periods. The target for this steady state performance metric is TXMOD usage equal to 100 percent of the average usage during typical processing years.								
5. Percentage of scheduled system availability. To measure this steady state performance metric, calculate the cumulative average percentage of system availability per an approved service level agreement as documented by IRS Information Technology Enterprise Services for "Essential Business Systems".	Percentage of system availability	Technology - Reliability and Availability	Over target	99.380000	95.000000	99.540000	95.000000	Monthly